

STATEMENT OF PURPOSE

RS30094 / S1043

Charter schools are public schools supported by taxpayer dollars, but unlike many other states, they do not receive state startup dollars. Moreover, public charter schools do not issue taxpayer-backed bonds. With so little access to initial capital, public charter schools are left with limited and expensive options for facility financing in their early years. This bill would create a revolving loan fund to help new and young public charter schools obtain lower interest rates on loans, so more taxpayer dollars stay in the classroom instead of being redirected toward high-interest facility loans.

FISCAL NOTE

This bill will have a one-time \$50 million impact on the general fund. A qualifying school may borrow up to \$2.5 million. Approximately four new charter schools open each year. If all four schools qualify for the full amount, that would total \$10 million; over two years that would be \$20 million. Most loans would be paid back incrementally over a period of five years, meaning the fund would continually regenerate.

Contact:

Senator Lori Den Hartog
(208) 332-1000
Senator Chuck Winder
(208) 332-1000

DISCLAIMER: This statement of purpose and fiscal note are a mere attachment to this bill and prepared by a proponent of the bill. It is neither intended as an expression of legislative intent nor intended for any use outside of the legislative process, including judicial review (Joint Rule 18).